



Governor Ruth Ann Minner



January 25, 2007

To Members of the 144th General Assembly and to all Delawareans:

In compliance with 29 Del. C. Section 6342, I respectfully submit for your consideration the Fiscal Year 2008 Bond and Capital Improvements Act for the State of Delaware. The \$554.8 million in capital recommendations included in this budget target investments in critical infrastructure that reflect my commitments to fostering economic growth, improving public education and the health and well-being of all Delawareans.

A total of \$98.2 million is recommended for Public Education construction for Fiscal Year 2008. These funds provide for needed classroom renovations and expansions in several districts across our state, including Lake Forest, Brandywine, Colonial, and Cape Henlopen.

My recommended budget targets a total of \$23.0 million toward supporting Delaware's economic development initiatives. In order to attract and retain high quality businesses and to maintain a strong workforce foundation, I am recommending \$12.0 million for the Strategic Fund to support economic development in Delaware. I am also recommending \$5.0 million for the fourth year of the New Economy Initiative. Funds from this initiative will help stimulate long-term equity capital investments in emerging Delaware companies, with specific emphasis on technology-based firms. In addition, I am recommending a total of \$3.0 million for the Diamond State Port Corporation and \$2.0 million for the Riverfront Development Corporation. Finally, I am recommending \$1.0 million for the Fraunhofer Center for Molecular Biotechnology for vaccine development efforts. These funds represent the second year of a five year commitment and are projected to leverage significant private funding as well. I am recommending funding for technology upgrades that will help keep Delawareans safe and provide an efficient and effective use of State resources. As such, I am recommending \$12.7 million for the 800 MHz system to supply the latest communication technology to public safety personnel throughout the State and an additional \$20.0 million to continue the implementation of ERP Financials to replace the Delaware Financial Management System (DFMS) and the Department of Transportation's BACIS accounting system.

In addition, this budget addresses the structural deficit in the Transportation Trust Fund (TTF) through a multi-dimensional strategy that includes cost containment, revenue enhancements, and establishing a Capital Transportation Plan that focuses on critical road needs throughout Delaware. The \$330.2 million in transportation authorizations recommended in this budget provide for investments that allow for a safe, efficient, and mobility friendly network of roads.

In total, the Fiscal Year 2008 Bond and Capital Improvements Act represents a spending plan that directs resources toward providing quality schools; attracting and retaining quality jobs; and effectively managing state resources for the benefit of all Delawareans.

Sincerely,

Ruth Ann Minner Governor